



[3510-16-P]

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

37 CFR Part 1

[Docket No.: PTO-P-2017-0002]

RIN 0651-AD14

July 2017 Revision of Patent Cooperation Treaty Procedures

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Final rule.

SUMMARY: The United States Patent and Trademark Office (USPTO or Office) is amending the rules of practice to implement certain amendments made to the Regulations under the Patent Cooperation Treaty (PCT) that will take effect on July 1, 2017, concerning the transmittal by a Receiving Office to an International Searching Authority of documents relating to an earlier search or classification.

DATES: Effective date: This rule is effective July 1, 2017.

Applicability date: The changes in this final rule apply to international applications having an international filing date on or after July 1, 2017.

FOR FURTHER INFORMATION CONTACT: Boris Milef, Senior Legal Examiner, International Patent Legal Administration, at (571) 272-3288.

SUPPLEMENTARY INFORMATION: During the October 5 to 14, 2015, meeting of the Governing Bodies of the World Intellectual Property Organization (WIPO), the PCT

Assembly adopted a number of amendments to the PCT Regulations having various dates of entry into force. See report adopted by the 47th Assembly of the PCT Union, available at http://www.wipo.int/edocs/mdocs/govbody/en/pct_a_47/pct_a_47_9.pdf. This final rule implements the changes to PCT Rules 12bis, 23bis, and 41, concerning the transmittal by the Receiving Office (RO) to the International Searching Authority (ISA) of documents relating to an earlier search or classification. Pursuant to 35 U.S.C. 361, the USPTO is required to perform all acts connected with the discharge of duties required of an RO. Accordingly, the USPTO is amending the rules of practice to implement these adopted PCT rules. These adopted rules were published in the May 12, 2016, issue of the PCT Gazette at pages 95-99, available on WIPO's Web site at http://www.wipo.int/pct/en/official_notices, and will apply to international applications having an international filing date on or after July 1, 2017.

Under the current PCT rules, applicants can request the ISA to take into account the results of an earlier search carried out by the same or another ISA or by a national office. See PCT Rule 4.12. Applicants making such a request must submit to the RO a copy of the results of the earlier search, subject to certain exceptions. One exception is where the office acting as the RO has performed the earlier search, the applicant may request the RO to transmit a copy of the results of the earlier search to the ISA rather than submit a copy of the results to the RO. See current PCT Rule 12bis.1(c). Submission of a copy of the results of the earlier search to the RO is also not required where the earlier search was carried out by the same ISA or by the same office as that which is acting as the ISA. See

current PCT Rule 12**bis**.1(d). Nor is the submission of a copy of the results of the earlier search to the RO required where a copy of the search results is available to the ISA in a form and manner acceptable to it, for example, from a digital library. See current PCT Rule 12**bis**.1(f). The USPTO, in its capacity as an ISA, currently does not obtain a copy of the results of an earlier search pursuant to Rule 12**bis**.1(f).

As explained above, the mechanism under the current PCT rules for providing an ISA with a copy of the results of an earlier search is applicant driven. In addition, the current PCT rules do not specifically provide for the transmittal by the RO to the ISA of a copy of the results of any earlier classification available to the RO. To help reduce the workload of ISAs and improve the quality of international search reports, the PCT Regulations were amended to increase the availability of the results of an earlier search or earlier classification to ISAs by providing an Office driven mechanism for furnishing such information to ISAs. A summary of the new PCT Regulations are provided as follows.

New PCT Rule 23**bis**.1 concerns the transmittal of documents relating to an earlier search where the applicant has made a request under PCT Rule 4.12 that the ISA take into account the results of an earlier search. Rule 23**bis**.1(a) provides that the RO shall transmit to the ISA, together with the search copy (see PCT Article 12(1); PCT Rule 23), any copy referred to in Rule 12**bis**.1(a) related to an earlier search in respect of which the applicant has made a request under Rule 4.12, provided that any such copy: (i) has been

submitted by the applicant to the RO together with the international application; (ii) has been requested by the applicant to be prepared and transmitted by the RO to the ISA; or (iii) is available to the RO in a form and manner acceptable to it, for example, from a digital library, in accordance with Rule 12bis.1(d). Rule 23bis.1(b) further provides that, if the results of any earlier classification are not included in the copy of the results of the earlier search referred to in Rule 12bis.1(a), the RO shall also transmit to the ISA, together with the search copy, a copy of the results of any earlier classification effected by that office, if available.

New PCT Rule 23bis.2 provides for the transmittal by the RO to the ISA of the copy of the results of an earlier search or earlier classification in respect of an earlier application for which priority is claimed in the international application, where the earlier application is filed with the same office that is acting as the RO and that office has carried out an earlier search in respect of the earlier application or has classified the earlier application. Under this provision, transmittal of a copy of the results of an earlier search or earlier classification by the RO to the ISA will not be required in the following circumstances: (1) where an RO has notified the International Bureau by April 14, 2016, that it may, on the request of the applicant submitted together with the international application, decide not to transmit the results of an earlier search (Rule 23bis.2(b)); (2) where the earlier search was carried out by the ISA or where the RO is aware that the results are available to the ISA (Rule 23bis.2(d)); and (3) where, to the extent that on October 14, 2015, the transmission of the copies referred to Rule 23bis.2(a) without the authorization by the

applicant is not compatible with the national law applied by the RO, the provisions of PCT Rule 23**bis**.2(a) will not apply with respect to any international application filed with that RO for as long as such transmission without the authorization by the applicant continues not to be compatible with that law, provided that the RO informed the International Bureau accordingly by April 14, 2016 (PCT Rule 23**bis**.2(e)).

Under the national law of the United States, unpublished applications for patents are generally required to be kept in confidence by the USPTO and no information concerning the same given without authority of the applicant or owner. See 35 U.S.C. 122; 37 CFR 1.14. Accordingly, the USPTO has notified the International Bureau pursuant to PCT Rule 23**bis**.2(e) that it will not transmit the copies referred to in Rule 23**bis**.2 to the extent that the national law of the United States requires that patent applications that have not been published must be kept in confidence unless specifically authorized by the applicant. See the October 20, 2016, issue of the PCT Gazette at pages 210-13, available at http://www.wipo.int/export/sites/www/pct/en/official_notices/officialnotices16.pdf.

Discussion of Specific Rules

The following is a discussion of the amendments to 37 CFR part 1, made pursuant to the amendments to the PCT Regulations.

37 CFR 1.453: In general, § 1.453 is added to provide the procedures for the transmittal

by the USPTO in its capacity as an RO of documents relating to an earlier search or earlier classification in accordance with amendments made to the PCT Regulations that will take effect on July 1, 2017.

Section 1.453(a) implements the provisions of new PCT Rule 23bis.1 by providing that, where an applicant has requested in an international application filed with the United States Receiving Office (RO/US) pursuant to PCT Rule 4.12 that an ISA take into account the results of an earlier search, the RO/US shall prepare and transmit to the ISA, as applicable, a copy of the results of the earlier search and any earlier classification as provided under PCT Rule 23bis.1. As discussed above, the applicant driven mechanism of PCT Rule 23bis.1 differs from the current applicant driven PCT mechanism by further providing for the automatic transmittal by the RO to the ISA of a copy of the results of any earlier classification effected by the RO. Also, consistent with the USPTO's current practice as an ISA, the USPTO, in its capacity as an RO, does not at the present time contemplate obtaining a copy of the results of an earlier search pursuant to PCT Rule 23bis.1(a)(iii), for example, from a digital library.

Section 1.453(b) implements the provisions of PCT Rule 23bis.2 by providing that, where an international application filed with the RO/US claims the priority of an earlier application filed with the USPTO in which the USPTO has carried out an earlier search or has classified such earlier application, the RO/US shall prepare and transmit to the ISA a copy of the results of any such earlier search and earlier classification as provided under

PCT Rule 23bis.2. This automatic process is triggered based on the presence of a priority claim in the PCT application to an application in which the USPTO carried out an earlier search or has classified the earlier application.

The RO/US will not retrieve the results of an earlier search or earlier classification conducted by an office other than the USPTO. Section 1.453(c), therefore, is limited to applications held in confidence by the USPTO and is not directed to applications held in confidence by offices other than the USPTO. In accordance with the requirements of 35 U.S.C. 122 and the aforementioned notification under PCT Rule 23bis.2(e) by the USPTO, § 1.453(a) and (b) are subject to the provisions of § 1.453(c), which provides that the RO/US will not prepare a copy of the results of the earlier search or earlier classification referred to in § 1.453(a) or (b) for transmittal to an ISA from an application preserved in confidence by the USPTO under § 1.14 unless the international application contains written authority granting the ISA access to such results. Section 1.453(c) further provides that such written authority must be signed by an applicant in the international application who is also an applicant in the application preserved in confidence or by a person set forth in § 1.14(c) permitted to grant access to the application preserved in confidence. The Office anticipates that the PCT Request form (PCT/RO/101) will be revised to provide the option to include written authority therein. The provisions of § 1.453(c) will permit, inter alia, an applicant in the international application to sign the written authority (either directly or through applicant's representative (§ 1.455)), provided that applicant is also an applicant in the application

that is preserved in confidence.

Rulemaking Considerations:

A. Administrative Procedure Act: This final rule implements changes made to the Regulations under the PCT and involves changes to the rules of agency practice and procedure and/or interpretive rules. See Perez v. Mortg. Bankers Ass’n, 135 S. Ct. 1199, 1204 (2015) (Interpretive rules “advise the public of the agency’s construction of the statutes and rules which it administers.” (citation and internal quotation marks omitted)); Nat’l Org. of Veterans’ Advocates v. Sec’y of Veterans Affairs, 260 F.3d 1365, 1375 (Fed. Cir. 2001) (Rule that clarifies interpretation of a statute is interpretive.); Bachow Commc’ns Inc. v. FCC, 237 F.3d 683, 690 (D.C. Cir. 2001) (Rules governing an application process are procedural under the Administrative Procedure Act.); Inova Alexandria Hosp. v. Shalala, 244 F.3d 342, 350 (4th Cir. 2001) (Rules for handling appeals were procedural where they did not change the substantive standard for reviewing claims.).

Accordingly, prior notice and opportunity for public comment for the changes in this rulemaking are not required pursuant to 5 U.S.C. 553(b) or (c), or any other law. See Perez, 135 S. Ct. at 1206 (Notice-and-comment procedures are required neither when an agency “issue[s] an initial interpretive rule” nor “when it amends or repeals that interpretive rule.”); Cooper Techs. Co. v. Dudas, 536 F.3d 1330, 1336-37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), does not require notice

and comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice” (quoting 5 U.S.C. 553(b)(A))).

Alternatively, the provisions of the Administrative Procedure Act requiring prior notice and opportunity for public comment are inapplicable because this rulemaking involves a military or foreign affairs function of the United States. See 5 U.S.C. 553(a)(1). The USPTO, in its capacity as an RO, is required to perform all acts connected with the discharge of duties required of an RO. See 35 U.S.C. 361. This final rule adopts changes required to conform the rules of practice for international applications to the amendments to the PCT Regulations, which will become effective on July 1, 2017. Thus, this final rule is covered by the foreign affairs function exception of 5 U.S.C. 553(a)(1) and may be adopted without prior notice and opportunity for public comment. See Int’l Brotherhood of Teamsters v. Pena, 17 F.3d 1478, 1486 (D.C. Cir. 1994).

B. Regulatory Flexibility Act: As prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553 or any other law, neither a Regulatory Flexibility Act analysis nor a certification under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) is required. See 5 U.S.C. 603.

C. Executive Orders 12866 (Regulatory Planning and Review), 13563 (Improving Regulation and Regulatory Review), and 13771 (Reducing Regulation and Controlling Regulatory Costs): This rulemaking has been determined to be not

significant for purposes of Executive Order 12866 (Sept. 30, 1993).

The Office has complied with Executive Order 13563. Specifically, the Office has, to the extent feasible and applicable: (1) made a reasoned determination that the benefits justify the costs of the rule; (2) tailored the rule to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector and the public as a whole, and provided on-line access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

Because this rulemaking has been determined to be not significant for purposes of Executive Order 12866, the requirements of Executive Order 13771 (Jan. 30, 2017) do not apply. See Guidance Implementing Executive Order 13771, Titled “Reducing Regulation and Controlling Regulatory Costs,” at page 3 (OMB mem.) (April 5, 2017). Alternatively, this final rule is not subject to Executive Order 13771 as it does not meet the definition of “regulation” or “rule” under Section 4 of Executive Order 13771, which excludes regulations issued with respect to a military, national security, or foreign affairs function of the United States.

D. Executive Order 13132 (Federalism): This rulemaking does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

E. Executive Order 13175 (Tribal Consultation): This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under Executive Order 13175 (Nov. 6, 2000).

F. Executive Order 13211 (Energy Effects): This rulemaking is not a significant energy action under Executive Order 13211 because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

G. Executive Order 12988 (Civil Justice Reform): This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Feb. 5, 1996).

H. Executive Order 13045 (Protection of Children): This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (Apr. 21, 1997).

I. Executive Order 12630 (Taking of Private Property): This rulemaking will not affect a taking of private property or otherwise have taking implications under Executive Order 12630 (Mar. 15, 1988).

J. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 et seq.), prior to issuing any final rule, the USPTO will submit a report containing the final rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this notice are not expected to result in an annual effect on the economy of 100 million dollars or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this notice is not expected to result in a “major rule” as defined in 5 U.S.C. 804(2).

K. Unfunded Mandates Reform Act of 1995: The changes set forth in this notice do not involve a federal intergovernmental mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, of 100 million dollars (as adjusted) or more in any one year, or a federal private sector mandate that will result in the expenditure by the private sector of 100 million dollars (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. See 2 U.S.C. 1501 et seq.

L. National Environmental Policy Act: This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. See 42 U.S.C. 4321 et seq.

M. National Technology Transfer and Advancement Act: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions that involve the use of technical standards.

N. Paperwork Reduction Act: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires that the Office consider the impact of paperwork and other information collection burdens imposed on the public. This rulemaking involves information collection requirements which are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3549). The collection of information involved in this rule has been reviewed and previously approved by OMB under control number 0651-0021.

Notwithstanding any other provision of law, no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Biologics, Courts, Freedom of information
Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons set forth in the preamble, 37 CFR part 1 is amended as follows:

PART 1—RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 2(b)(2), unless otherwise noted.

2. Section 1.453 is added under the center heading “Priority” to read as follows:

§ 1.453 Transmittal of documents relating to earlier search or classification.

(a) Subject to paragraph (c) of this section, where an applicant has requested in an international application filed with the United States Receiving Office pursuant to PCT Rule 4.12 that an International Searching Authority take into account the results of an earlier search, the United States Receiving Office shall prepare and transmit to the International Searching Authority, as applicable, a copy of the results of the earlier search and any earlier classification as provided under PCT Rule 23bis.1.

(b) Subject to paragraph (c) of this section, where an international application filed with the United States Receiving Office claims the priority of an earlier application filed with the USPTO in which the USPTO has carried out an earlier search or has classified such earlier application, the United States Receiving Office shall prepare and transmit to the International Searching Authority a copy of the results of any such earlier search and earlier classification as provided under PCT Rule 23bis.2.

(c) The United States Receiving Office will not prepare a copy of the results of an earlier search or earlier classification referred to in paragraphs (a) and (b) of this section for transmittal to an International Searching Authority from an application preserved in confidence (§ 1.14) unless the international application contains written authority granting the International Searching Authority access to such results. Written authority provided under this paragraph must be signed by:

(1) An applicant in the international application who is also an applicant in the application preserved in confidence; or

(2) A person set forth in § 1.14(c) permitted to grant access to the application preserved in confidence.

Dated: May 22, 2017.

Michelle K. Lee
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

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